STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES Land Division Honolulu, Hawaii 96813

June 10, 2010

Board of Land and Natural Resources State of Hawaii Honolulu, Hawaii

Hawaii

PSF No.: 09HD-084

Sale of Remnant to David R. Longacre, Jr. & William C. Foss, Jr., Co-Trustees of the David R. Longacre, Jr. and William C. Foss, Jr. Trust, Hakalau Homesteads, South Hilo, Hawaii, Tax Map Key:3rd/2-9-04:37

APPLICANT:

David R. Longacre, Jr. & William C. Foss, Jr., Co-Trustees of the David R. Longacre, Jr. and William C. Foss, Jr. Trust, whose business and mailing address is Hawaii 96721.

LEGAL REFERENCE:

Section 171-52, Hawaii Revised Statutes, as amended.

LOCATION:

Portion of Government lands of Hakalau Homesteads situated at Wailea, South Hilo, Hawaii, identified by Tax Map Key: 3rd/2-9-04:37, as shown on the attached map labeled Exhibit A.

AREA:

33/100 acres, more or less.

ZONING:

State Land Use District: Agriculture

County of Hawaii CZO: Agriculture-20 acre

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: YES

CURRENT USE STATUS:

Encumbered under Land Patent Grant No. 6588.

CONSIDERATION:

One-time lump sum payment of fair market value to be determined by independent or staff appraiser, subject to review and approval by the Chairperson.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

HRS Chapter 343 is not triggered since there is no use of state land or state funds, merely a transfer of ownership through a sale. Furthermore, as the lands will be privately owned, any future use after the sale is closed will not trigger Chapter 343.

DCCA VERIFICATION:

Applicant is a trust and, neither the trust nor the trustees are required to register with DCCA.

APPLICANT REQUIREMENTS:

- 1) Pay for an appraisal to determine the one-time payment of fair market value for the remnant;
- 2) Provide survey maps and descriptions according to State DAGS standards and at Applicant's own cost;

REMARKS:

Pursuant to section 171-52, HRS, a remnant is defined as "a parcel of land economically or physically unsuitable or undesirable for development or utilization as a separate unit by reason of location, size, shape, or other characteristics." The subject parcel has been determined to be a remnant by this definition for the following reasons:

The parcel is an abandoned flume right-of-way.

Applicants are the owner of parcel (3) 2-9-04:37 as staff has confirmed by researching the County of Hawaii, Real Property Tax Office web site. A copy of the Land Patent Grant describing the flume right-of-way is attached as Exhibit B. At the time the grant was written, the most effective means of transporting sugar from the fields to the mills was by water flumes. The reservation was intended to allow for a flume structure to be erected on the property to facilitate the transportation of sugar cane down slope to a processing mill. Language in the grant describes the flume as a 10-foot right-of-way containing an area of 33/100 acre.

Excepting and Reserving therefrom a right-of-way 10 feet wide across this lot for the flume, said right-of-way containing an area of 33/100 acres, LEAVING A NET AREA OF 12-64/100 acres, as shown on map thereto attached and made thereof.

Because the description specifically identifies an area within the grant and the area is withdrawn from the gross area of the parcel, the flume right-of-way should be considered a State owned remnant. The Applicant wishes to consolidate the flume right-of-way with their property.

The Applicant has not had a lease, permit, easement or other disposition of State lands terminated within the last five years due to non-compliance with such terms and conditions.

Various government agencies were solicited for comments with the County of Hawaii Planning Department noting that according to County records, there is no separate Tax Map Key associated with the flume reservation and therefore, consolidation is not required through the County of Hawaii subdivision process.

There were no other comments or objections.

RECOMMENDATION:

That the Board:

- 1. Find that the subject lands are economically or physically unsuitable or undesirable for development or utilization as a separate unit by reason of location, size, shape, or other characteristics and, therefore, by definition is a remnant pursuant to Chapter 171, HRS.
- 2. Authorize the subject requests to be applicable in the event of a change in the ownership of the abutting parcel described as Tax Map Key: (3) 2-9-04:37, provided the succeeding owner has not had a lease, permit, easement or other disposition of State lands terminated within the last five (5) years due to noncompliance with such terms and conditions.

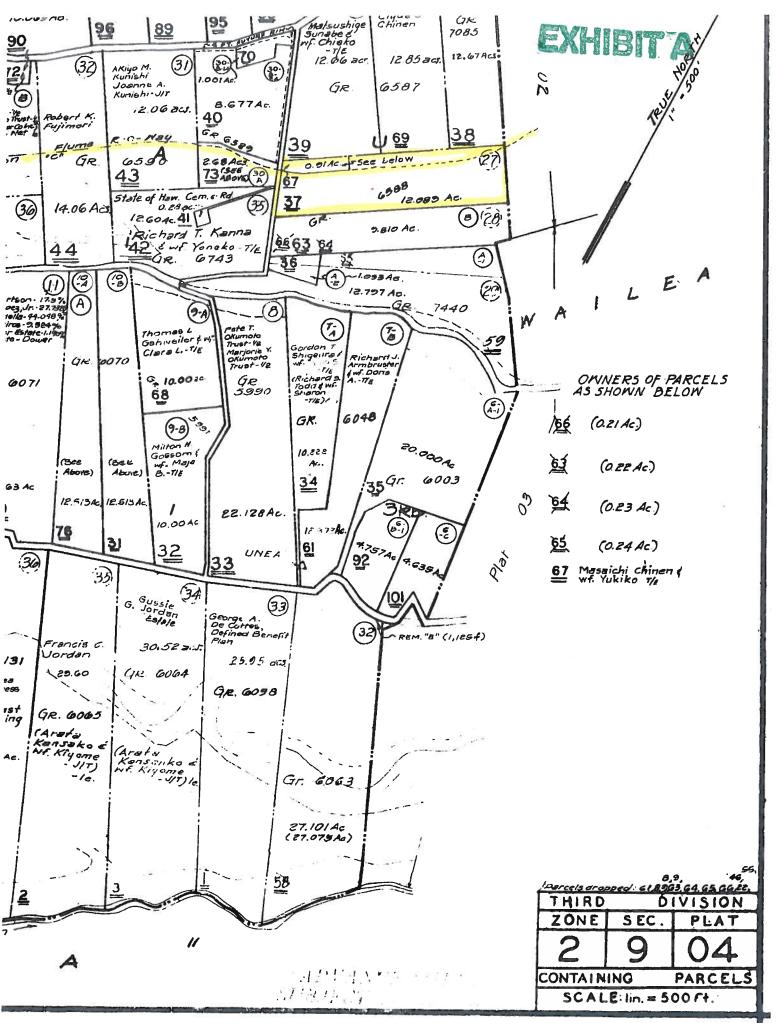
- 3. Authorize the subdivision and consolidation of the subject remnant by the Applicant.
- 4. Subject to the Applicant fulfilling all of the Applicant Requirements listed above, authorize the sale of the subject remnant to David R. Longacre, Jr. & William C. Foss, Jr., Co-Trustees of the David R. Longacre, Jr. and William C. Foss, Jr. Trust covering the subject area under the terms and conditions cited above, which are by this reference incorporated herein and further subject to the following:
 - a. The standard terms and conditions of the most current deed or grant (remnant) form, as may be amended from time to time;
 - b. Review and approval by the Department of the Attorney General; and
 - c. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,

Gordon C. Heit

APPROVED FOR SUBMITTAL:

Laura H. Thielen, Chairperson



Land Patent Nov. 6588 (Grant)

On —	SPECIAL HOMESTEAD AGREEMENT
Bu this 9	Palant the Governor of the Territory of Sluvais, in conformity with
the laws of	f the United States of America and of the Territory of Stawaii;
makes kn	own to all men that he has this day granted and confirmed anto
	PEDRO SOUZA COSTA
for the co	Finety & 00/100 possideration of One Thousand Four Hundred Gollars, # 1,490.00
•	the Treasury;
the terms	for the further consideration of his having complied with and conditions of Special Romestead Agreement No. 818, mrauence of the provisions of Section 276 of the Revised wall of 1905.
	, , , , , , , , , , , , , , , , , , ,
all of the	e land situate at HAKALAU
	District of BOUTH HILO - Island of HAWAII - founded
and desc	vibed as follows:
	Special Homestend Agreement No. 818,
	Lots Nos. 27 & 28, Reg. Map No. 2574, First Land Districts
LOT NO.	this was a the west comes of this
	s South corner of Lot 23 and on the East side of 40 foot
	he coordinates of said point of beginning referred to Govern-
	rvey Trig. Station "Kauku" being 16634.5 feet North and
4900.3	feet East, as shown on Government Survey Registered Map Ho.
2574, a	ad running by true azimuthe:-
1. 236	• 55' 1474.0 feet along Lots 20, 22 and 21, to an iron rail;
	9 55' 375.0 feet along Lots 25 and 26 to an iron rail;
	• 05' 1559.2 feet along Lot 28 to an iron rail on the East side of 40 foot road;
4. 159	> 53' 380.0 feet along 40 foot road to the point of beginning.

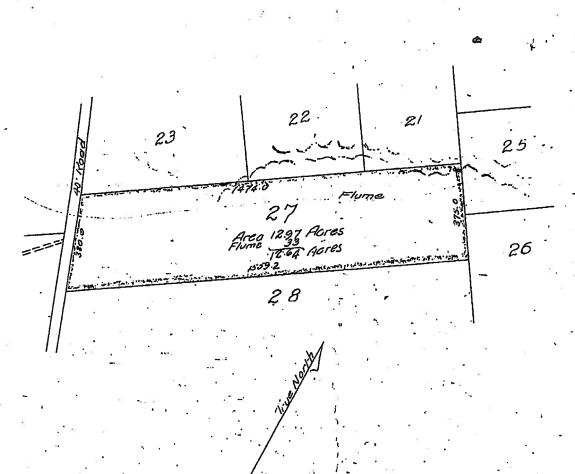
Excepting and Reserving therefrom a right-of-way 10 feet wide across this lût for the flume, said right-of-way containing an area of 33/100 acre. LEAVING A NET AREA OF 12-64/100 acres, as shown on map hereto attached and made hereof.

LOT NO. 28. Beginning at an iron rail at the South corner of this lot, the Northwest corner of Lot 29 and on the East side of 40 foot road, the coordinates of said point of beginning referred to Government Survey Trig. Station "Rauku" being 15996.0 feet North and 5134.2 feet East, as shown on Government Survey Registered Nap No. 2574, and running by true azimuths:

- 1. 159° 632 300.0 feet along 40 foot road to an iron rail;
- 2. 237° 05' 1559.2 feet along Lot 27 to an iron rail;
- 3. '326° 55' 256.0 feet along Lot 26 to an iron rail;
- 4. 58° 25' 103.0 feet along Grant 1043 to Kapou and Samuela to post;
- 5. 316° 30' 242.8 feet along Grant 1043 to Kapou and Samuela to rail;
- 6. 64° 44° 1582.4 feet along Lot 29 to the point of beginning.

AREA 14-32/100 ACRES.

.



HAKALAU HOMESTEADS S. HILO. HAWAII Scale I in = 300 ft.

Attached to and made part of Grant No. 6588,

Section of Hawaii,

Governor of Hawaii,

Commissioner of PublicLands.

. •